

17-035

**RSM**

August 9, 2017

**RSM US LLP**

Ms. Courtney Avery  
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Dear Ms. Avery

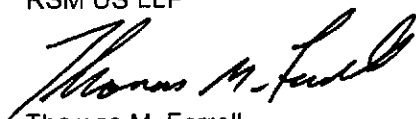
RSM US LLP (f/k/a McGladrey LLP) has been the independent auditor of Frances House, Inc. and Subsidiaries (the Organization) consolidated financial statements for more than twenty years. Frances House, Inc. and Subsidiaries consolidated financial statements includes the accounts of Residential Alternatives of Illinois, Inc., a wholly owned subsidiary.

RSM US LLP issued an independent auditor's opinion on the Organization's March 31, 2016 consolidated financial statements on September 21, 2016. The Organization's consolidated balance sheet reported \$39,184,757 of cash at March 31, 2016 and \$36,700,977 of investments at March 31, 2016. Investment valuations were based on quoted market prices in active markets for identical assets.

RSM US LLP has been engaged to audit the Organization's March 31, 2017 consolidated financial statements. Management's March 31, 2017 consolidated balance sheet reported \$36,544,324 of cash at March 31, 2017 and \$40,618,015 of investments at March 31, 2017.

At March 31, 2017 and 2016, the Organization's balance sheets report cash and investments exceeding the \$17,640,000 management asserts will be required to fund the construction of a 92 bed skilled nursing facility in Rochelle, IL and management's projected \$975,000 operating deficit after opening.

RSM US LLP

  
Thomas M. Farrell  
Partner

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